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Attorneys for Nominal Defendant
Linear Technology Corporation

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re LINEAR TECHNOLOGY
CORPORATION SHAREHOLDER
DERIVATIVE LITIGATION,

This Document Relates To:

ALL ACTIONS.

Lead Case No.: 06-3290-MMC

(Shareholder Derivative Action)

**STIPULATION AND [PROPOSED] ORDER
FOR VOLUNTARY DISMISSAL OF
CONSOLIDATED SHAREHOLDER
DERIVATIVE ACTION WITH PREJUDICE**

AND ORDER THEREON

WHEREAS, on May 18, 2006, two shareholder derivative actions were filed in the United States District Court for the Northern District of California, which actions were consolidated under the caption *In re Linear Technology Corporation Shareholder Derivative Litigation*, Case No. C-06-3290-MMC (N.D. Cal.), asserting claims against Linear as a nominal defendant and against certain of its current and former officers and directors for allegedly breaching their fiduciary duties by purportedly backdating stock option grants in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder;

STIP & [PROPOSED] ORDER OF VOLUNTARY DISMISSAL
CASE NO. 06-3290

1 WHEREAS, on March 23, 2007, Linear shareholder Frederick Weiss filed a Shareholder
2 Derivative Complaint in the Court of Chancery of the State of Delaware, captioned *Weiss v.*
3 *Swanson, et al.*, CA 2828-VCL (the “Delaware Action”), challenging Linear’s stock option
4 granting practices, and asserting claims against certain of Linear’s current and former directors and
5 officers for breach of fiduciary duty, unjust enrichment, and waste in connection with certain stock
6 option grants which were alleged to have been spring-loaded or bullet-dodged; and

7 WHEREAS, on February 14, 2007, this Court stayed this action;

8 WHEREAS, on January 31, 2011, the parties to the Delaware Action filed a Stipulation of
9 Settlement and Compromise with the Chancery Court of the State of Delaware which provided for
10 the settlement of all claims. Without admitting any wrongdoing, the individual defendants agreed
11 to the settlement under which Linear will receive \$4 million from the individual defendants’
12 insurer, and two of the individual defendants repriced certain stock options, for an aggregate
13 \$500,000 increase in the exercise price payable upon exercise by these individuals. Linear also
14 implemented or agreed to implement certain corporate governance enhancements;

15 WHEREAS, on April 28, 2011, the Chancery Court of the State of Delaware issued a final
16 order and judgment approving the settlement of the Delaware Action; and

17 NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among
18 counsel for the respective parties hereto, that the instant action shall be voluntarily dismissed
19 with prejudice; and

20 IT IS FURTHER STIPULATED AND AGREED THAT each of the parties is to bear its
21 own attorneys’ fees and costs.

22 **SO STIPULATED.**

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2 DATED: June 2, 2011

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

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4 /s/ Dominique-Chantale Alepin

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9 *Attorneys for Nominal Defendant Linear Technology Corporation*

10 DATED: June 2, 2011

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23 *Davies, Robert Dobkin, William H. Gross, Richard*
24 *Nickson, David A. Quarles and Robert Reay*

1 DATED: June 2, 2011

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5 *Lead Counsel for Plaintiffs*

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8
9 **~~PROPOSED~~ ORDER**

10 Based on the foregoing stipulation of counsel, for the respective parties hereto, and good
11 cause appearing, IT IS SO ORDERED.

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13 Dated: June 3, 2011

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16 HONORABLE MAXINE CHESNEY
UNITED DISTRICT COURT JUDGE